

HOW TO CHOOSE A QUALIFIED TAX PREPARER



Ten Tips for Choosing a Tax Preparer

TAX TIP 2018-02

It's the time of the year when many taxpayers choose a tax preparer to help file a tax return. These taxpayers should choose their tax return preparer wisely. This is because taxpayers are responsible for all the information on their income tax return. That's true no matter who prepares the return.

Here are ten tips for taxpayers to remember when selecting a preparer:

1. Check the Preparer's Qualifications.

Use the IRS Directory of Federal Tax Return Preparers with Credentials and Select Qualifications. This tool helps taxpayers find a tax return preparer with specific qualifications. The directory is a searchable and sortable listing of preparers.

2. Check the Preparer's History. Ask the Better Business Bureau about the preparer. Check for disciplinary actions and the license status for credentialed preparers. For CPAs, check with the State Board of Accountancy. For attorneys, check with the State Bar Association. For Enrolled Agents, go to the verify enrolled agent status page on IRS.gov or check the directory.

3. Ask about Service Fees. Avoid preparers who base fees on a percentage of the refund or who boast bigger refunds than their competition. When asking about a preparer's services and fees, don't give them tax documents, Social Security numbers or other information.

4. Ask to E-File. Taxpayers should make sure their preparer offers IRS e-file. The quickest way for taxpayers to get their refund is to electronically file their federal tax return and use direct deposit.

5. Make Sure the Preparer is Available. Taxpayers may want to contact their preparer after this year's April 17 due date. Avoid fly-by-night preparers.

6. Provide Records and Receipts. Good preparers will ask to see a taxpayer's records and receipts. They'll ask questions to figure things like the total income, tax deductions and credits.

7. Never Sign a Blank Return. Don't use a tax preparer who asks a taxpayer to sign a blank tax form.

8. Review before signing. Before signing a tax return, review it. Ask

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questions if something is not clear. Taxpayers should feel comfortable with the accuracy of their return before they sign it. They should also make sure that their refund goes directly to them – not to the preparer's bank account. Review the routing and bank account number on the completed return. The preparer should give you a copy of the completed tax return.

9. Ensure the Preparer Signs and Includes Their PTIN. All paid tax preparers must have a Preparer Tax Identification Number. By law, paid preparers must sign returns and include their PTIN.

10. Report Abusive Tax Preparers to the IRS. Most tax return preparers are honest and provide great service to their clients. However, some preparers are dishonest. Report abusive tax preparers and suspected tax fraud to the IRS. Use Form 14157, Complaint: Tax Return Preparer. If a taxpayer suspects a tax preparer filed or changed their return without the taxpayer's consent, they should file Form 14157-A, Return Preparer Fraud or Misconduct Affidavit.

Additional IRS Resources:

Understanding Tax Return Preparer
Credentials and Qualifications

Tax Topic 254 - How to Choose a Tax
Return Preparer

Choosing a Tax Professional

How to Make a Complaint About a Tax
Return Preparer

How to Report Suspected Tax Fraud Activity

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